



Connecticut's Official Health Insurance Marketplace

**Testimony of Access Health CT
Before the
Connecticut General Assembly Insurance and Real Estate Committee
February 24, 2015**

**S.B 11: AN ACT REQUIRING THE CONNECTICUT HEALTH INSURANCE
EXCHANGE TO NEGOTIATE PREMIUMS**

Good Afternoon Senator Crisco and Representative Megna, members of the Insurance and Real Estate Committee.

My name is Jason Madrak, Chief Marketing Officer of Access Health CT, the Connecticut State Health Insurance Exchange.

Thank you for the opportunity to give testimony before your committee.

Over the past two open enrollment periods (of which we just completed the second one on February 15th), Access Health CT has worked closely and collaboratively with the Connecticut Insurance Department (CID) on the issues of rate filing and approval for products on the exchange.

Given that Exchange policy and rate decisions effect not only the products sold inside the Exchange, but also outside the Exchange, CID's existing processes and rich knowledge of Connecticut's insurance landscape has proved extremely helpful and insightful as we continue to establish and grow the Exchange.

The Deputy Insurance Commissioner, Anne Melissa Dowling, is an engaged and active member of our board, and we have had the privilege of establishing strong working relationships with many other members of the CID staff, some of whom serve on key advisory committee's for the Exchange.

The Exchange and CID, in addition to many others, have worked closely in developing key policies in areas such as Essential Health Benefits, Qualified Health Plan Certification Standards, and Standard Benefit Designs. Moving into the future, with this strong and productive partnership in place, we envision this will serve as a solid

foundation for addressing future areas of focus, which would most certainly include rates for health insurance plans listed on the Exchange.

The Exchange fully supports keeping the responsibility and authority for reviewing and approving insurance rates with CID, given their strong history, expertise and well established process in performing this function on behalf of state residents and businesses. The current bill, as we have read it, appears to be identical to one proposed over a year ago, and ignores recent results which are already achieving its goal of ensuring competitive rates for Connecticut consumers, all while utilizing the established current infrastructure.

As evidence that current processes and collaborations work well, this year's rate filings for exchange products witnessed a net 0% premium increase for base rates on exchange listed plans, and the new non-profit carrier, Healthy CT initiated an overall 10% base rate premium decrease.

Currently, Access Health CT is on its way to offering more than 100,000 CT resident's affordable commercial insurance, in addition to more than 100 small businesses in the state, either with advance premium tax credits or simply at lower rates than they have previously seen. This is in addition to more than 400,000 Medicaid beneficiaries enrolling in coverage via Access Health CT.

Market forces are also showing that these premium changes are being well received by consumers, with recent enrollment results in our publicly communicated board presentations ([link below](#)) showing low premium leaders ConnectiCare and Healthy CT commanding 42% and 23% respectively of new enrollee's.

[http://www.ct.gov/hix/lib/hix/PRESENTATIONBoard of Directors Meeting02132015Ver11.pdf](http://www.ct.gov/hix/lib/hix/PRESENTATIONBoard_of_Directors_Meeting02132015Ver11.pdf)

In light of the strong existing collaboration between the Exchange and CID, an existing process for rate review and approval by experts at CID, a public hearing process for large rate increases, and free-market forces which are already positively impacting consumer choice, I respectfully suggest that Senate Bill 11 may be unnecessary, and not needed to formally require this already established and functioning process via legislation. Additionally, the legislation as written provides very little in the way of specifics regarding how this collaboration on rates would occur, the process involved, the data needing review, time frames for completion, dispute resolution, and other key elements, leaving the law vague and potentially more confusing than helpful.

Forcing the Exchange to build out a duplicative structure to that of CID, including on-staff actuaries and other experts to actively review rates, is neither cost effective, nor

aids in helping in any way to improve or streamline an already tightly timed rate review process.

Thank you for your consideration.